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AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING,
BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

October 15, 1927

Vol. V, No. 21.

SEVENTY-FIVE PER CENT INCREASE IN COOPERATIVE MARKETING

Statistical information recently compiled in connection with the 1920 and 1925 censuses of agriculture indicates that about 85 per cent more farm products were marketed cooperatively in the United States in 1924 than in 1919. This is a much higher percentage than would appear from the figures for total sales. The reason is that in 1919 the price for agricultural products at the farm was at the high point since the Civil War period and the returns for products sold by farmers bulked large when measured in dollars and cents, whereas in 1924 the money returns to farmers, on the average, were but 64 per cent of the returns for 1919 for the same quantities of products.

With figures for cooperative sales for both 1919 and 1924 on a pre-World-War basis, the actual progress made in the cooperative marketing of farm products is more apparent.

Taking the United States as a whole, the increase in cooperative activity for the five years was 85 per cent. In some parts of the country the percentage increase was considerably greater and in several of the states it amounted to more than ten times that of the entire country. This was largely due to the fact that in certain sections of the United States there had been very little cooperative activity prior to 1919 and about that year many extensive programs were developed for interesting farmers in collective selling. This was particularly true in the states with large numbers of cotton and tobacco producers. There were also large increases in a number of the states where attention was given to the cooperative marketing of milk, notably Connecticut.

The states in which the increase in cooperative activity for the five-year period amounted to more than one thousand per cent, in the order of their relative importance, were: North Carolina, Tennessee, Kentucky, Georgia, South Carolina, Texas, Alabama, and Connecticut. Other states in which the increase in farm products sold cooperatively in 1924 was more than 100 per cent, were: Mississippi, Arizona, West Virginia, New Hampshire, New Mexico, Florida, Maine, Vermont, Oklahoma, Rhode Island, Massachusetts, Missouri, Maryland, Colorado, Utah, Virginia, Montana, Nevada, Wyoming, Arkansas, Ohio, Iowa, Indiana, and Washington.

In only South Dakota, Delaware and New Jersey was there a smaller quantity of farm products sold cooperatively in 1924 than in 1919.

A COOPERATIVE CANNERY IN MAINE

Nearly one hundred farmers in the vicinity of Dexter, Maine, are served by the Pine Tree Canning Company, an association organized in 1922 for the purpose of receiving and canning sweet corn and beans. Sales for the 1924 season amounted to \$72,373; for the 1925 season, to \$42,782; and for the 1926 season, to \$51,165. The association is formed with share capital of which there was \$21,633 on December 31, 1926. This capital is invested largely in the cannery and equipment. At the close of the last business year the surplus of the organization amounted to \$8,201.

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"BIG Y" SPECIALIZING IN MIXED CARS OF FRUIT

Shortage of cherries and other soft fruit, and the lateness of the season, have resulted in reduced shipments so far this year by the Yakima Fruit Growers' Association, Yakima, Wash. To September 19 the association had shipped 399 cars, compared with 1,165 last year. Nearly 50 per cent of the shipments to date have been mixed cars. This line of business is given special attention and has grown rapidly in the last few years. It is peculiarly exacting but with its precooling and cold-storage assembling facilities the association is able to handle it. The mixed-car method makes possible wide distribution of many kinds and varieties of fruit, and also helps to develop the small markets which could not handle straight cars of one kind or variety of fruit.

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COLORADO BEAN GROWERS SECURE ANOTHER WAREHOUSE

A second warehouse for storing pool beans has been secured at Weldona by the Colorado Bean Growers' Association, Denver, through its subsidiary organization. This warehouse has a capacity of 15 cars of beans while the one at Fowler will hold 85 cars. Negotiations are under way for a third warehouse on the Western Slope. All warehouses of the pool will be under federal license, thereby insuring the farmers against fraud, substitution of one lot of beans for another, and unauthorized sale of beans without surrender of warehouse receipt.

In order to make doubly sure that the beans put out by the association will top the market in quality and price, a special course in bean grading was conducted in Denver for the benefit of the men who are to operate the portable bean graders. The course was given by a United States marketing specialist. By adopting the Government grade specifications the association expects to put out cleaner, better beans and gain in price advantages and consumer demands.

BRITISH COLUMBIA TO EXPORT CHRISTMAS APPLES

Special preparations are being made by the Associated Growers of British Columbia, Ltd., Vancouver, B. C. to handle boxes of Christmas apples for the Old Country as in past years. The time limit for orders for packed apples will be November 1 and varieties will be limited to McIntosh, Jonathan and Delicious. A quantity of the best apples available will be sent to England and held there in cold storage. Prices for packed apples will be announced later. For growers who wish to pack their own apples the association will make a charge of \$2.50 per box to cover handling, freight and delivery to any point in England or Scotland.

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MANY SKOOKUM PACKERS ARE WASHING APPLES

In order to remove the objectionable spray residue from fruit most of the units of the Skookum Packers' Association, Wenatchee, Wash., have installed special washing equipment. A number of locals are reported to be easily meeting the tolerance by the dry-wiping method.

A circular letter sent recently to wholesale and retail dealers to check up on the value of the "dealer helps" furnished as one feature of the advertising campaign, brought many responses stating that the attractive window strips, hangers, price tags, cards, etc., were used to good advantage and the dealers would like new supplies with further shipments of fruit.

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TASMANIA ASSOCIATION HANDLES VARIETY OF PRODUCTS

Apples, pears, raspberries and black currants, are among the fruits handled by the Port Huon Fruitgrowers' Cooperative Association, Ltd., Hobart, Tasmania. Direct shipments are made regularly to Brisbane, Sydney and Newcastle, and additional steamers are loaded for Melbourne when required. As larger and faster boats were needed for this service, two additional ones were put into the trade.

Several of the shareholders who are hop growers have asked the association to help find better markets for hops, and the matter is now under consideration.

In the year closing June 30, 1927, depreciation on land, buildings and equipment to the amount of £9,118 was written off, representing nearly 35 per cent of the cost. The paid-up capital and reserves now amount to £25,428.

During the past year the association has acted as agent for a prominent insurance company of Southern Tasmania, with satisfactory results, handling fire, marine and accident insurance.

PEAR GROWERS RECEIVE FIRST ADVANCE

Members of the California Pear Growers' Association, San Francisco, received a first payment of \$15 a ton on all No. 1 cannery pears delivered before August 1. On September 17 another payment was made of \$15 on all delivered up to September 17 on which the first payment had been made, and \$30 on all other No. 1's received to that date. Advances on No. 2's amounted to \$15.

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ADVERTISING PLANS FOR CALIFORNIA FRUIT GROWERS EXCHANGE

Plans for the 1927-28 advertising campaign of the California Fruit Growers' Exchange, Los Angeles, are said to provide for "one of the most complete advertising and sales promotion campaigns yet undertaken by the Exchange." The budget for the twenty-first year of Sunkist advertising is based on an investment of 5 cents a box for oranges and grapefruit, and 10 cents a box for lemons, and special attention is to be given to the principal everyday uses of lemons. "Acidosis" will also be stressed in the advertisements, with emphasis on the value of citrus fruits as a preventative and corrective.

In addition to the messages which will be carried in the magazines, and "in order to reach the greatest number of people the greatest number of times" a street-car-card campaign will be begun in November, and for six months the cards will tell of the principal uses of lemons. During the months of December and January a part of the card advertising will be devoted to oranges.

At the close of its twentieth year of advertising the Exchange had invested \$8,914,837 in this line of effort, on gross sales during the same period of \$1,089,859,351, and a return to California of approximately \$783,000,000, an investment of less than 1 per cent of gross sales and 1.14 per cent of f.o.b. returns.

More than two billion oranges were stamped with the Sunkist trade-mark last season, thus bringing the name directly into the homes and on to the tables of consumers. Nearly 7,250 juice extractors were sold during the season, bringing the total to 40,000 machines. It is estimated that 5,000 car loads of oranges and 1,300 car loads of lemons were consumed the past season through the use of the juice extractors.

The dealer service department is closing a record year. Its staff comprises 23 permanent men and 10 part time men from district offices. Seventy thousand calls have been made on retail fruit merchants and extractor operators, and 300,000 pieces of display material were placed.

ONTARIO GRAIN POOL MAKING GOOD PROGRESS

Early in September the new Ontario Grain Pool had attained a membership of 9,100, and arrangements had been completed with elevator men and millers for handling grain for members at most of the points where the Pool operates. Where those owning existing marketing facilities appear indifferent or opposed to the Pool, track loading is resorted to, in many cases with the desired results. As the management prefers to have all grain handled through existing elevators and cleaned before shipping, track loading is resorted to only when it seems necessary.

On August 31, the nine county representatives met the board of directors of the United Farmers' Cooperative Company, which company sponsored and financed the organization of the Pool in Ontario, and discussed the progress made and the program for the future. The president of the Canadian Cooperative Wheat Producers, Ltd., was present at one session and addressed the meeting.

In an effort to keep all members well informed, the management of the Ontario Pool has arranged to make use of one page each week in the Farmers' Sun, published by the United Farmers of Ontario, and this paper will be sent to all members of the Pool.

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COST OF OPERATING TEXAS WHEAT POOL

Figures showing the volume of wheat included in the annual pools and the costs of marketing for the past five years, are published by the Texas Wheat Growers' Association, Amarillo, Texas. Sales during the first four years of operation were made through the Southwest Wheat Growers Associated, the sales agency for the Oklahoma and Texas associations. The 1926 pool was conducted by the Texas Wheat Growers' Association alone. The figures are as follows:

Crop year	Wheat pooled	Costs per bushel		
		Carrying charges	Operating expense	Country elevator handling
	(Bushels)	(Cents)	(Cents)	(Cents)
1922*	3,179,595	7.628	2.205	2.737
1923*	5,771,277	6.849	1.797	3.774
1924*	8,710,276	5.490	1.464	3.493
1925*	3,142,493	9.551	2.999	3.366
1926**	3,381,940	7.392	1.301	3.560

* Joint pools of Oklahoma and Texas.

** Texas pool alone.

SMALL CREAMERY SHOWS A GOOD RECORD

In the year ending August 31, 1927, the Plainview Farmers' Cooperative Creamery Company, Plainview, Nebr., received 242,342 pounds of butterfat for which it paid patrons \$94,627, an average of 39.04 cents per pound. Total receipts came to \$123,463 and disbursements to \$110,319, leaving a net income of \$13,144. Of this amount \$1,000 was paid for stock dividends; \$1,000 went to the surplus account; \$200 was reserved for taxes; \$6,360 was paid patrons in dividends during the year, and \$2,250 was reserved to be paid patrons on October 1. This left \$2,334 unassigned funds. The association owns buildings and equipment to the value of \$12,075.

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SEVEN NEW SHIPPING STATIONS FOR DAIRYMEN'S LEAGUE

Seven new milk shipping stations in Clinton and Essex Counties, New York, were opened for business on October 1, and eight tank cars were placed in service for use in the new milktrain to New York City, thus opening up the territory along Lake Champlain for the production of fluid milk for New York City. The new shipping stations were built by the Dairymen's League Cooperative Association, Inc., New York City, at a cost of \$135,000, and the tank cars were leased by the same organization which also negotiated with the railroad company for the milktrain service.

This work was undertaken by the League at the request of the farmers of the district who wanted to enter the fluid-milk market but were somewhat isolated and lacked milk-train service. Construction of plants began in the spring and on October 1 milk was shipped from nearly 700 farms in the territory, amounting to approximately 800 forty-quart cans, at a time when additional milk was needed for New York City.

This development is said to be one of the largest ever attempted by one milk-marketing organization in the East. Mass meetings were held in celebration of the event, with officials of the League and of the railroad company in attendance. These officials, with delegations of farmers and business men of the two counties, rode the milk train on its first run through the Valley.

The new tank cars are among the first to be used in the East. In general appearance they are much like ordinary box cars painted white. Each contains two glass-lined, insulated tanks with a capacity of 3,000 gallons. These tanks will hold the milk at the temperature at which it is loaded for many hours, and require no ice. The milk is pumped direct into the tanks from the shipping station tanks, thus doing away with the use of cans and saving labor and delays.

OHIO ASSOCIATION SERVES TEN COUNTIES

In the year ending August 31, 1927, the Northwestern Cooperative Sales Company, Wauseon, Ohio, handled 481,697 pounds of butterfat valued at \$243,388, for its members. Of this the members received \$226,266, or 91 per cent of the sales value. The average price paid patrons for butterfat for the year was 47 cents. This association was formed in the fall of 1919 with about 4,000 members. In 1922 its sales amounted to \$852,118; in 1923, \$1,250,000; in 1924, \$978,466; and in 1925, \$728,700. Cream is received at 17 local stations located in ten counties.

The association's income from commissions, station earnings, and interest for the year was \$11,707 and the expense of operation was \$13,982, causing a loss of \$2,274. The balance sheet for the close of the year shows a net worth of \$4,828, with outstanding capital stock of a par value of \$22,470.

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PURE MILK ASSOCIATION IS FORGING AHEAD

A big drive for new members is to be carried on during the fall months by the Pure Milk Association, Chicago, Ill., which already supplies a large fraction of the fluid milk and cream for that market. In order to carry out a comprehensive sales plan which will provide a satisfactory milk supply for every day in the year, the association is seeking more members and assurance of their support. The sign-up was begun about a year and a half ago and the present membership supplies over 750,000 pounds per day of high-grade milk.

Policies already worked out recognize three groups: dairymen, dealers, and consumers. To dairymen the organization's program aims to mean: efficient production, improvement of quality, better prices, better marketing conditions, check up on weights and tests, stabilization of markets, protection of interests, current market information. To dealers it will mean: stabilized production, cooperation in quality control, reasonable return on invested capital, production and consumption data for entire market, producers' cooperation in increasing sales, increased good will; and to consumers it is to mean high-grade pure milk at a fair price.

In the membership campaign the association is to have the aid of nationally known dairy leaders who will tell what has been done in their respective organizations.

MANITOBA POULTRY POOL PLANNING FOR CHRISTMAS TRADE

From April 1 to September 3, 1927, the Manitoba Cooperative Poultry Marketing Association, Limited, at Hartney, shipped 112 cars of eggs with a sales value of \$388,554. These shipments were handled in three pools.

The regular season for shipping dressed poultry will commence about the end of November and continue until December 15, catering to the Christmas trade. Growers are advised that the logical seasons for most advantageous marketing are before Christmas for turkeys and after Christmas for fowl.

In order to help dispose of some of the fowl early the directors have decided that the Winnipeg egg station will handle dressed poultry in small lots up to November 1. Live poultry was handled up to October 1.

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WASHINGTON EGG ASSOCIATION MAKES PATRONAGE REFUND

A deferred patronage refund to the amount of \$166,720 has just been made to members of the Washington Cooperative Egg and Poultry Association, Seattle, on the 1926 business. This distribution was planned for April but the payment was deferred to help finance storage of the large egg surplus being delivered. As eggs could not be sold at that time except at disastrous prices, the surplus was stored to meet the fall scarcity, and the dividend money was used to pay members the weekly pool prices for the eggs they delivered.

Total earnings for 1926 amounted to \$358,237, or 48.34 cents per case above the weekly payments. The payment just made amounts to 22.5 cents per case, or three-fourths of one cent per dozen. The remaining 25.84 cents per case, or \$192,514, is retained by the association for operating capital, but will be returned to members who produced the eggs of 1926 when conditions warrant.

Growth of the business of the organization is indicated by figures showing the volume of business transacted during the first six months of each of the five years: 1923, \$2,038,373; 1924, \$2,568,057; 1925, \$4,989,386; 1926, \$6,484,452; 1927, \$8,560,023.

New members to the number of 1,148 have joined the association since the beginning of 1927, and 35 per cent more eggs have been received than in the same period last year. Sales of feed have increased 37½ per cent, and 97½ per cent more poultry has been delivered to the association for fattening.

Two-thirds of all the members have already renewed their contracts for the five years 1928-1932, although these contracts do not take effect until the first of the year.

NEW LIVESTOCK SALES AGENCY

Canadian livestock men representing the three provincial livestock pools held a two-day conference at St. Boniface, Man., late in September and formed a coordinating agency under the name of the Central Livestock Cooperative, Ltd. This organization will have control and direction of the central marketing policy. Two directors will be selected from each of the three pools, the Saskatchewan Livestock Cooperative Marketing Association, Ltd., the Alberta Cooperative Livestock Producers, Ltd., and the Manitoba Cooperative Livestock Producers, Ltd. It is expected that the new agency will begin to function about January 1, 1928.

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REPORT OF AN IOWA SHIPPING ASSOCIATION

The Winneshiek Equity Cooperative Association, Decorah, Iowa, is returning to its members approximately 99 per cent of the f.o.b. sales value of the livestock which it is shipping for them. Shipments for the last four years have been as follows:

Year	Hogs	Cattle	Calves	Sheep	Total
1923	24,651	2,113	2,269	1,604	30,637
1924	23,865	1,306	1,597	2,243	*29,014
1925	18,974	1,255	2,639	2,052	24,920
1926	25,746	1,644	2,473	2,360	32,223

* Including three horses.

Receipt f.o.b. Decorah, payments to patrons and net earnings are given in the annual reports as follows:

Year	Sales, f.o.b. Decorah	Paid Patrons		Net earnings
		Amount	Per cent	
1923	\$499,252	\$489,542	98.1	\$1,582
1924	455,732	447,844	98.3	3,629
1925	576,720	570,293	98.9	1,974
1926	854,147	845,530	99.0	1,847

Part of the expense of operating the association is met by earnings on farm supplies purchased for patrons.

The association also operates at Ridgeway, Iowa, this business being handled as a separate enterprise.

ASSOCIATION COLLECTS LIVESTOCK

The Gilson Livestock Shipping Association of Knox County, Ill., owns two trucks and picks up livestock at the farm for carlot shipments or carries it direct to the Peoria Producers' Commission Association if the owner of the livestock wishes. The charge for trucking is five cents per hundredweight for the first three miles, and one cent per hundredweight for each additional mile.

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EIGHT MONTHS' WORK OF EVANSVILLE PRODUCERS

In the first eight months of 1927, the Evansville Producers' Commission Association, Evansville, Ind., made sales to the amount of \$2,794,678, on which the commissions amounted to \$31,108. Sales for the month of August came to \$297,676. One year ago the figures were as follows: sales for eight months, \$2,828,310; commissions for eight months, \$26,997; sales for month of August, \$247,172.

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ALBERTA LIVESTOCK POOL WORKING FOR BETTER PRICES

In the first eight months of 1927 the Alberta Cooperative Livestock Producers, Ltd., Calgary, handled 20,773 cattle and calves, 135,323 hogs, and 3,656 sheep, amounting to 21 per cent of the total number of cattle, 31 per cent of the hogs, and 16 per cent of the sheep marketed in the Province. These figures included stock billed through as well as stock received at the yards of the association at Lethbridge, Calgary and Edmonton.

This is the second year of operation of the Alberta Livestock Pool which commenced its work in January, 1926.

It is stated by the management that the Alberta Cooperative Livestock Producers, Ltd., has been working to change the basis of the hog price from the Winnipeg price less transportation charges, to the basis of the demand of the western trade. A comparative list of weekly prices on the Winnipeg and Calgary markets for 1925, 1926, and the first eight months of 1927, compiled by the association, shows that in 1925 the average weekly price in Calgary was 11 cents under Winnipeg; in 1926, after the pool began operations, the Calgary price was 24.8 cents over Winnipeg; and in the eight months of 1927 the average Calgary price was 50 cents over Winnipeg. These figures, it is stated, indicate that a half million dollars additional was paid Alberta producers for hogs.

The management is convinced that the marketing of livestock in the province can be improved by an active organization working directly for the benefit of the producers.

NORTH CAROLINA COTTON ASSOCIATION HAS A RESERVE

The annual statement of the North Carolina Cotton Growers' Co-operative Association, Raleigh, N. C., as of July 31, 1927, shows a net worth of \$654,440, including the reserve for contingencies. Cash on deposit at the close of the year amounted to \$469,883. The investment of the association in the capital stock of the North Carolina Cotton Growers' Sales Corporation amounted to \$5,000.

Reserves have increased in amount four years out of five the association has been operating. The figures for the reserves at the close of the different marketing seasons have been as follows: 1922-23 \$253,910; 1923-24, \$384,815; 1924-25, \$534,229; 1925-26, \$500,238; 1926-27 \$654,440.

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SIXTH SEASON FOR PIMACOTTON ASSOCIATION

Net operating expenses for the Arizona Pimacotton Growers', Phoenix, Ariz., for the year ending July 31, 1927, were \$24,300. As 11,742 bales of cotton of the 1926 crop were handled by the association the expense per bale was \$1.31. The number of bales marketed and the cost per bale as reported by the association for the six years that it has been operating are as follows:

Marketing season	Number of bales handled	Operating cost per bale
1921-22	10,702	\$7.90
1922-23	10,321	5.15
1923-24	7,950	1.89
1924-25	9,748	1.98
1925-26	16,346	.77
1926-27	11,742	1.31

In addition to operating expenses there is a handling charge for cotton. This charge is approximately the same whether cotton is handled by cooperative or private interests. It includes storage, interest and insurance. The handling charge for the 1926-27 season was \$8.953 or 76 cents a bale.

At the close of the 1926-27 season members' reserves with the association amounted to \$23,155.

NEW CONTRACT READY FOR DARK TOBACCO GROWERS

One hundred representative farmers from all districts of the Black Patch met at the headquarters of the Dark Tobacco Growers' Cooperative Association, Hopkinsville, Ky., on August 27, to consider the new association contract and marketing agreement.

The new plan provides for seven separate associations, divided by type districts, but federated into one central agency for the purpose of preserving uniformity in grading and sales, and of checking needless competition. The seven associations will be as follows:

Springfield Tobacco Cooperative Association
Clarksville Tobacco Cooperative Association
Hopkinsville Tobacco Cooperative Association
Western District Tobacco Cooperative Association
Stemming Tobacco Cooperative Association
Green River Tobacco Cooperative Association
One-Sucker Tobacco Cooperative Association

Each local association will elect its own directors and establish its own headquarters. It will keep its accounts separate from other districts and make its own settlements with members. Furthermore, the association will be right at home where the members can watch it and help it grow.

The new contract has been a whole year in preparation. Pool officials and directors began asking members in the summer of 1926 about their objections to the old contract. This information was discussed in small meetings called for the purpose, aided by officials of the Department of Markets of the Kentucky College of Agriculture, and other leaders.

Next a rough draft of an agreement was prepared and sent to a large number of individuals interested in the development of cooperative marketing, including officials of the U. S. Department of Agriculture and of three State Colleges of Agriculture, leaders in various cooperative associations, bankers, jurists, and many others.

When the suggestions and criticisms received from these leaders had been condensed and studied members of the association were asked through the Tobacco Planter to write their suggestions. Many of the best points were obtained in this way.

As the organization committee has no money to hire organizers to go out seeking members, the responsibility for the campaign now rests with the old members.

IOWA FARMERS' UNION PLANS CREDIT CORPORATION

At the eleventh annual meeting of the Iowa Farmers' Union, held recently in Des Moines, a plan for the creation of a Farmers' Union Credit Corporation with \$100,000 capital, was enthusiastically endorsed by the delegates. The plan provides that this capital shall be supplied by the sale of life memberships in the Iowa Farmers' Union at \$50 each. From the returns of this \$50 the Credit Corporation is to guarantee to pay all of a member's dues, national, state, and local, during his lifetime. The capital thus raised will be loaned to members and the paper rediscounted. This may be done through a federal intermediate credit bank, or preferably through Farmers' Union cooperative banks similar to the one recently started at What Cheer, Iowa. As such paper often is rediscounted to ten times the amount of capital, approximately one million dollars would be provided for the Credit Corporation to use in financing the operations of Iowa farmers, and the earnings, it is believed, would provide funds for the educational activities of the State Union.

A large number of life memberships were subscribed and a committee was appointed to develop and put forward the plan of presenting the matter to the members of each local.

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FARMERS BUY THROUGH COOPERATIVE STORES

Many farmers in northern Minnesota, Wisconsin and Michigan, have established cooperative stores through which to purchase collectively their needed supplies. Among the enterprises thus established are the general store and two branch stores conducted by the Cloquet Cooperative Society, Cloquet, Minn. The society was organized in 1910 and reorganized in 1921. It now has more than 1,100 members, nearly half of whom are farmers. In addition to a line of general merchandise, the society purchases coal, machinery, feed and flour for its members, and sells for them, potatoes, hay and grain.

The Cloquet Society is organized with share capital which amounted to nearly \$60,000 on June 25 last. Interest on this capital is limited to 6 per cent. The greater part of the net earnings of the enterprise is distributed as patronage refunds. These refunds now amount to about \$15,000 a year. Net sales are approaching the half million mark, aggregating \$243,815 for the first six months of 1927.

Gross earnings for the several departments for the first half of 1927 were as follows: main store, 13.98 per cent; branch store, 10.34 per cent; meat market, 21.51 per cent; branch meat market, 17.95 per cent; dry goods, 20.68 per cent; coal, 12.75 per cent.

SLIDE LECTURE ON LIVESTOCK FEEDER POOLS

"Cooperative Feeder Cattle and Lamb Pools" is the title of a lantern-slide lecture prepared by the Division of Cooperative Marketing and recently released for use by extension workers and association field men. The first part of the lecture deals with the cooperative purchase of feeder cattle in the Western States and the movement of the animals to the Corn Belt feed lots. The second part tells the story of the movement of sheep from the western ranges to the farms of the Mississippi Valley. The lecture consists of 93 slides, 53 of which are made from photographs showing different phases of this cooperative activity. Forty slides furnish the reading matter to complete the story.

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ABERDEEN CREAMERIES TO CONDUCT ESSAY CONTEST

An essay contest is to be conducted by the Equity Union Creameries, Aberdeen, S. D., as a part of its general educational program. The general subject of the essays will be "Benefits of Cooperation." The contest will be in two divisions, one for grade school pupils, and the other for high school pupils. For each division the first prize will be a trip to the Equity Union convention and shareholders' meeting at Aberdeen in January. All essays must be in the hands of the judges by December 1.

The management states that the purpose of the contest is to encourage a more thorough study of cooperation by the younger generation.

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COLORADO PLANNING SHORT COURSE IN COOPERATION

A tentative program has been issued for a short course in cooperative marketing to be held at Denver, Colo., November 14 to 17.

This school will be conducted under the auspices of the Colorado Director of Markets, the State Agricultural College of Colorado and the Extension Service, with the Colorado cooperative associations and the Division of Cooperative Marketing, U. S. Department of Agriculture, cooperating. Three addresses are planned for each morning and afternoon session, followed by discussion. These addresses cover many problems of organization, management and development of cooperatives, and special attention will be given to consideration of commodities in which Colorado growers are particularly interested, including wheat, fruits and vegetables, beans, livestock, dairy products, sugar beets, honey, and melons. Accounting records, supply buying, and education will also be considered. A motion picture on cooperative marketing will be a feature of the program of the first evening and a banquet the second.

MISSOURI CROP REPORTING STATUTE CONSTITUTIONAL

Recently the Supreme Court of Missouri, in the case of the State v. Woods, 296 S. W. 381, held that the statute of that state making it a crime for landowners, or, in their absence, their tenants, renters, lessees, managers, or superintendents, to fail to furnish information to county assessors for crop reporting purposes, was constitutional. The statute in question, among other things, directed the Crop Reporting Board of the state to cooperate with the U. S. Department of Agriculture with respect to crop reporting work.

L. S. Hulbert.

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THE MEMBERS ARE THE ASSOCIATION

The members of a cooperative association, at least in a practical and non-legal sense, are the association. The cooperative association is simply a medium or method for enabling producers to act collectively in the handling and marketing of their products or the buying of supplies. If an association is not conducted to the general satisfaction of its members, the fault lies with the membership, if this condition continues over an extended period, because of their failure to place competent men in charge. An association, broadly speaking, is the agent of its members, the members collectively are the principal, and of course it is a commonplace that an agent must act in accordance with the express desires of the principal.

Members of cooperative associations are often prone to look upon the association of which they are members as something separate and apart from them. In a strict legal sense this conception is correct, but in a practical sense it is less correct. The directors and officers of an association are placed in office by reason of the action of the members of the association. The officers and directors are simply the authorized representatives of the members for the conduct and operation of the business in which the association is engaged. These officers and directors are accountable to the members and if they fail to conduct the business along sound lines or prove to be incompetent, the members can select others to fill their place. It is true that if the officers and directors of an association adopt policies or engage in transactions that are not satisfactory to a majority of the membership, these officers and directors cannot be instantly removed from office, but over a period of time the officers and directors of an association must, if they

are to continue in office, justify their conduct of the affairs of the association and demonstrate that they are competent persons to be entrusted with its management, provided that the membership is alive to its rights, duties and responsibilities.

The cooperative statutes, generally speaking, provide for machinery by which officers and directors who prove to be incompetent or unsatisfactory may be removed from office before the expiration of their terms. Owing to the large area over which a cooperative association may operate and the large number of members which it may have, it is not always an easy task to obtain an expression of the members as to their desires concerning the business of the association or other matters connected with its affairs, but if the circumstances warrant obtaining an authoritative expression from the membership, it is possible, ordinarily, for this to be done, not only at annual but at special meetings. Officers and directors of an association should not be looked upon as targets at which to direct thoughtless criticism. Every doubt should be resolved in favor of those in charge of an association until it is clearly shown that they are incompetent.

It is a hard and difficult task to manage a large enterprise. Only those who are actively engaged in doing so know of the difficulties that have to be met. To criticize thoughtlessly and without having a clear knowledge of the facts is to make the tasks of officers and directors of an association hard if not intolerable. Officers and directors, like other members of an association, will often err in their judgment so it is unwise, ordinarily, to base a decision regarding the competency of an officer or director upon a single transaction. The fact remains, however, that in theory at least the officers and directors of an association must demonstrate their competency and fitness for the positions which they hold if they are to continue in office over an extended period.

Frequently a considerable period of time must elapse before the results of any policy are evident and this fact should always be borne in mind in passing upon the efficiency and competency of the management of an association. Generally speaking, the members of cooperative associations should have the long-time point of view with respect to them; and should not expect miracles or instantaneous results of a decidedly high order. The greatest benefits from a cooperative association may only be expected after it has had an opportunity to establish itself thoroughly as an integral part of the business world in which it functions.

L. S. Hulbert.

SOVIET RUSSIA'S AGRICULTURAL SOCIETIES

A booklet issued by the Director of the Moscow Narodny Bank, London, England, outlines the extensive development of "The Cooperative Movement in the U.S.S.R. (Union of Socialistic Soviet Republics) and Its Foreign Trade." Among the many organizations are the following agricultural societies: 20,000 societies for collective agriculture; 15,000 societies for cooperative production; 4,000 corn threshing associations; 2,000 machinery hiring associations; 2,500 stud farms; and 13,000 credit cooperatives.

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NEW PAPER DEVOTED TO SUGAR BEET INDUSTRY

"The Mountain States Beet Grower," published at Sterling, Colo., made its first appearance under date of August 15, as the official paper of the Mountain States Beet Growers' Marketing Association, which has its office at Greeley, Colo. The paper is to be "published in the interests of the beet sugar industry in which the grower and the sugar company are vitally interested," and is to give information regarding sugar markets and crop conditions. As the beet growers are engaged in general farming, it is proposed to publish also many pages of information regarding other lines of farming. The present membership of the growers' association is about 3,000.

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MILK MARKETING PROBLEMS IN NEW ENGLAND

The results of a study of "Some Economic Aspects of the Marketing of Milk and Cream in New England," are presented by the Division of Cooperative Marketing in Circular No. 16, just off the press. The study of the situation in New England was undertaken at the request of 25 farmers' cooperative associations, to aid in developing a plan for an efficient marketing organization. From a study of the many factors involved the conclusion was reached that the New England milk industry needed an effective cooperative organization of producers predicated on a firm foundation of ably managed country plants. This plan, it is pointed out, would facilitate the consolidation of many up-country plants, aid cooperation between producers and consignees at terminal markets, and would result in substantial savings in transportation and handling costs. Such an organization would also be in a position so to adjust output as to meet market requirements for milk and milk products more accurately than is now done, and would be a dynamic instrument for stabilizing the entire milk industry in New England.

REPORTED BY THE ASSOCIATIONS

Farmers of Queensland, Australia, recently voted down a proposition to establish a maize board to handle that crop, by a vote of 3,225 against the plan to 1,924 for it.

Three new county units of the Arkansas Cotton Growers' Cooperative Association, Little Rock, were formed in September, in Howard, Little River and Dallas Counties, to assist in the cause of cooperative marketing.

Grain is being loaded into Mississippi River barges by the Farmers' Union Terminal Association, St. Paul, Minn., for shipment to southern points. During September two barges a week were shipped, and it is expected that October shipments will amount to four barges a week.

The new Nebraska Farmers' Union Cooperative Oil Company is buying gas and oil on specifications with satisfaction to its patrons. The new company now has ten locals and the management estimates the requirements of this membership will be approximately 2,000,000 gallons of gas and kerosene and probably 100,000 gallons of oil a year.

Truck routes have been organized by the Illinois Equity Exchange Company, Effingham, Ill., for the purpose of collecting from members the poultry and eggs which are to be marketed through the organization. Additional equipment for the feeding of poultry is being installed in the Effingham packing house. The management announces that geese will be handled this fall.

Up to the close of business September 24, the new contract of the Oklahoma Cotton Growers' Cooperative Association, Oklahoma City, had been signed by 6,780 individuals, including a number of large farmers. As the original agreement does not expire until the close of the present season, this number represents principally those who wish to take advantage of the extra features of the new agreement.

Business to the amount of \$762,000 was transacted the past year by the Farmers' Union Service Association, Des Moines, Iowa, a gain of \$168,000 over the year before. Starting with \$12,000 working capital two years ago, the Service Association has built up a surplus of \$4,000 after paying 5 per cent interest to the members and earning 22 per cent on that amount. During the past year the operating expenses have been decreased and the net earnings increased over those of the preceding year.

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- Hanemann, H. A. Cooperative Buying and Selling Increases Dairyman's League News, New York City, September 23, 1927 p. 2
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- Michigan Potato Growers' Exchange. Ninth Annual Report, for the Period Ending July 31, 1927 Cadillac, Mich. 1927. 23 p
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